

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL MEMORANDUM**

**HB 219 – SB 271**

February 28, 2017

**SUMMARY OF ORIGINAL BILL:** Prohibits semester hours attempted in courses required to fulfill Reserve Officers' Training Corps (ROTC) requirements from being included in the semester hour qualifying limitations for HOPE scholarship eligibility, and further, prohibits grades earned in ROTC courses from being included in the calculation of the grade point average of a student for determining continuing eligibility for the HOPE scholarship.

**CORRECTED FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures – \$444,000/Lottery for Education Account

This funding will not be included in the annual statutory transfer of excess lottery funding from the Lottery for Education Account to the Tennessee Promise Scholarship Endowment Fund.

**SUMMARY OF AMENDMENT (004113):** Deletes and replaces language of the bill without making any substantive changes to the legislation.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

On February 27, 2017, a fiscal memorandum was issued for the bill as amended estimating a fiscal impact as follows:

*Unchanged from the original fiscal note.*

The estimated fiscal impact for the original bill was corrected on February 27, 2017; as a result of such correction, the fiscal impact estimated for the bill as amended requires correction. The fiscal memorandum for the bill as amended has been corrected as follows:

**(CORRECTED)**

**Unchanged from the corrected fiscal note.**

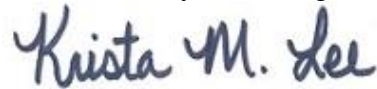
**HB 219 – SB 271 (CORRECTED)**

Corrected Assumptions for the bill as amended:

- Based on information provided by the Tennessee Student Assistance Corporation (TSAC), the provisions of this bill as amended will impact ROTC students attending four-year public and private institutions.
- TSAC confirms the average HOPE scholarship award at four-year institutions is \$4,000 each academic year; an average of \$2,000 per semester.
- Beginning in FY17-18 and annually thereafter, TSAC projects 95 ROTC students attending four-year public institutions, and 16 ROTC students attending four-year private institutions, will qualify for an average of two additional semesters of HOPE scholarship awards as a direct result of this bill as amended.
- The recurring increase in state expenditures from the Lottery for Education Account beginning in FY17-18 is estimated to be \$444,000 [(95 x \$2,000 x 2 semesters) + (16 x \$2,000 x 2 semesters)].

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/rbp